

RESOLUTION NO. 74784

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSÉ DECLARING THE NEED TO INCUR BONDED INDEBTEDNESS TO FINANCE SPECIFIED ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REPLACEMENT, REHABILITATION AND UPGRADES OF THE SAN JOSÉ CONVENTION CENTER BY AUTHORITY OF CONVENTION CENTER FACILITIES DISTRICT NO. 2008-1, CITY OF SAN JOSÉ, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA

WHEREAS, the City Council of the City of San José (the “City”) has duly adopted its Resolution No. 74784 (the “Resolution of Intention”) this date, to which reference is made for further particulars, declaring its intention to establish a convention center facilities district under and pursuant to Chapter 14.32 of the San José City Municipal Code (the “Chapter”), to be known and designated as “Convention Center Facilities District No. 2008-1, City of San José, County of Santa Clara, State of California” (the “Convention Center Facilities District”), and to levy a special tax therein to finance the acquisition, construction, reconstruction, replacement, rehabilitation and upgrade of the San José Convention Center; and

WHEREAS, the City Council of the City (the “City Council”) is fully advised in this matter;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSÉ THAT:

1. The City Council hereby specifically finds and declares that the actions authorized hereby constitute and are with respect to public affairs of the City and that the statements, findings and determinations of the City set forth above are true and correct and that the consideration of the issuance of bonds to be authorized by the

Convention Center Facilities District is important to the public welfare of the residents of the City, and may result in significant public benefits.

2. The City Council hereby declares that the public convenience and necessity require that a bonded indebtedness be incurred to finance the payment of the acquisition and construction of the Facilities (as that term is defined in the Resolution of Intention). The cost of financing the acquisition and construction of the Facilities includes incidental expenses for the Facilities comprising the costs of planning and designing the Facilities, together with the costs of environmental evaluations thereof, and all costs associated with the creation of the Convention Center Facilities District, the issuance of bonds, the determination of the amount of any special taxes or the collection or payment of any special taxes, and costs otherwise incurred in order to carry out the authorized purposes of the Convention Center Facilities District, together with any other expenses incidental to the acquisition and construction of the Facilities.

3. The cumulative amount of any proposed bonded indebtedness to be incurred to finance the acquisition and construction of the Facilities shall not exceed \$750,000,000, which amount includes all costs and estimated costs incidental to, or connected with, the accomplishment of the purpose for which the bonded indebtedness is proposed to be incurred, including but not limited to the estimated costs of acquisition of interests in real property; capacity or connection fees; satisfaction of contractual obligations relating to expenses or the advancement of funds for expenses existing at the time the bonds are issued pursuant to the Chapter; architectural, engineering, inspection, legal, fiscal, and financial consultant fees; bond and other reserve funds; discount fees; interest on any bonds authorized by the Convention Center Facilities District estimated to be due and payable within two years of issuance of the bonds; election costs; and all costs of issuance of the bonds, including but not limited to fees for bond counsel, costs of obtaining credit ratings, bond insurance premiums, fees for letters of credit and other credit-enhancement costs, and printing costs.

4. The term of any series of bonds shall not exceed 40 years.

5. Notice is given that Tuesday, March 10, 2009, at 1:30 p.m., or as soon thereafter as the City Council may reach the matter, in the City Council Chambers at San José City Hall at 200 East Santa Clara Street, City Council Wing, 2nd Floor, San José, California, 95113, has been fixed by the City Council as the time and place for a public hearing to be held by the City Council to consider the incurring of the bonded indebtedness to finance the acquisition and construction of the Facilities. At the public hearing, any persons interested, including all taxpayers, property owners, and registered voters within the Convention Center Facilities District, may appear and be heard on the proposed debt issuance or on any other matters set forth herein, and they may present any matters relating to the necessity for incurring the bonded indebtedness.

6. Notice of the time and place of such public hearing shall be given by the City Clerk in the following manner:

(a) A Notice of Public Hearing in the form required by the Chapter is to be published once in the *SAN JOSÉ MERCURY NEWS*, a newspaper of general circulation circulated within the area of the Convention Center Facilities District. The publication is to be made pursuant to section 6061 of the California Government Code and must be completed at least seven days prior to the date set for such public hearing.

(b) A Notice of Public Hearing in the form required by the Chapter is to be mailed, first-class postage prepaid, to each owner of land within the Convention Center Facilities District, except in cases where the land is owned by a public agency in which case the mailing shall be to the lessee of the public agency, at their addresses as shown on the last equalized assessment roll or as otherwise known to the City Clerk.

7. It is the intention of the City Council that any bonds issued be callable (may be redeemed prior to their maturity dates) in accordance with the Chapter.

8. This Resolution shall take effect upon its adoption.

ADOPTED this 3rd day of February, 2009, by the following vote:

AYES: CAMPOS, CHIRCO, CHU, CONSTANT, HERRERA,
KALRA, LICCARDO, NGUYEN, OLIVERIO, PYLE; REED.

NOES: NONE.

ABSENT: NONE.

DISQUALIFIED: NONE.

CHUCK REED
Mayor

ATTEST:

LEE PRICE, MMC
City Clerk